



Amy G. Rabinowitz
Counsel

May 29, 2003

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: DTE 03-53

Dear Secretary Cottrell:

I am enclosing for filing Massachusetts Electric Company's proposed Targeted Demand Response Program Provision, M.D.T.E. 1068.

Thank you very much for your time and attention to this matter.

Very truly yours,

Amy G. Rabinowitz

cc: Wilner Borgella, Office of the Attorney General

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MASSACHUSETTS ELECTRIC COMPANY
TARGETED DEMAND RESPONSE PROGRAM PROVISION

AVAILABILITY

Participation in the Company's Targeted Demand Response Program ("Program") is available to customers receiving retail delivery service under the Company's General Service Time-of-Use Rate G-3 and General Service Demand Rate G-2 who have a monthly billing demand of at least 100 KW. Eligible customers must be served through the Company's facilities listed in the Credit per kWh section of this provision. Eligible customers must also have hourly metering at their facilities and be able to designate as Nominal Interruptible Load at least 50 kW.

A customer participating in the Program must execute a service agreement, subject to the Company's approval, which sets forth the specific requirements of the customer and the Company.

The Company reserves the right to limit participation in the Program.

DEFINITIONS

These definitions are based on the current ISO-NE definitions, as may be amended from time to time by the ISO-NE.

Baseline-to-Actual Adjustment: For the hour that is two hours prior to the Interruption, the difference between the average of the 15-minute integrated load, as measured by the Company's metering equipment in kilowatts or 90% of kilovolt-amperes, whichever is larger, and the Baseline Load.

Baseline Load: For each hour of the Interruption and for the hour that is two hours prior to the Interruption, the average of the 15-minute integrated load, as measured by the Company's metering equipment in kilowatts or 90% of kilovolt-amperes, whichever is larger, during each of the ten business days (excluding holidays, shutdowns, and days having called interruptions) immediately prior to the Interruption.

Curtailed Load: For each hour of the Interruption, the difference between the Expected Load and the average of the 15-minute integrated load, as measured by the Company's metering equipment in kilowatts or 90% of kilovolt-amperes, whichever is larger. In no event shall the Curtailed Load exceed the Expected Load.

Expected Load: For each hour of the Interruption, the Baseline Load adjusted by the Baseline-to-Actual Adjustment.

Interruption: Any particular day of the year chosen by the Company or its designated agent during which the customer, after proper notification by the Company via the established

MASSACHUSETTS ELECTRIC COMPANY
TARGETED DEMAND RESPONSE PROGRAM PROVISION

communication system, agrees that it will curtail its load requirements provided by the Company by the level of Nominal Interruptible Load. Each Interruption will have specified hours.

Interruption Period Load: The average of the 15-minute integrated load, as measured by the Company's metering equipment in kilowatts or as 90% of kilovolt-amperes, whichever is larger, during the specified hours of the Interruption.

Nominal Interruptible Load: The amount of KW that the customer commits to curtail during the hours of Interruption. This quantity is determined prior to and will be fixed for the Program Period.

Peak Period: Non-holiday weekdays during the hours of 7 am and 11 pm.

Program Period: June 1 through September 30

RATES FOR RETAIL DELIVERY SERVICE

The customer shall be billed by and pay the Company for kWh delivered to the customer during a billing month in accordance with the Company's General Service Time-of-Use Rate G-3 and General Service Demand Rate G-2, as may be amended from time to time.

METHOD OF NOTIFICATION

The Company will provide advance notice of an interruption to the customer by means of a message to an e-mail addressable pager or wireless phone (if available) as well as follow-up notification by means of an e-mail or telephone call to a Primary Contact and/or Secondary Contact, required to be provided by the customer. The minimum period of notification will be thirty (30) minutes. The customer must send return notification by means of an e-mail or telephone call to the Company to confirm that the customer will be participating in the Interruption.

CREDIT CALCULATION

The total Credit will be calculated for each hour of Interruption and will be determined by the following formula:

$$\text{Credit} = \text{Credit per kWh} \times \text{each hour's Curtailed Load}$$

The Credit will be calculated individually for each hour of each Interruption called by the Company and will appear as a credit on the customer's monthly retail delivery service bill issued by the Company. The Credit will be applied to the customer's account within 60 days of the Interruption.

MASSACHUSETTS ELECTRIC COMPANY
TARGETED DEMAND RESPONSE PROGRAM PROVISION

CREDIT PER KWH

The Credit per kWh that the customer will earn for Curtailed Load during an Interruption called by the Company shall be the following, based upon the location of the customer's facilities:

Facility	<u>Credit</u>
Belmont St. Substation (Brockton)	\$0.68 per kWh
Ames St. Substation (Brockton)	\$0.68 per kWh
Pratts Junction Feeder 225W1 (Lancaster, Bolton)	\$0.52 per kWh

TERM OF AGREEMENT

The agreement for service under these terms and conditions shall remain in effect until terminated by the Company or the customer. Except as otherwise provided herein, a minimum of sixty (60) days advance written notice shall be required to terminate service under these terms and conditions.

Effective: June 1, 2003